

**ASSEMBLY BILL**

**No. 36**

**Introduced by Assembly Member Vargas**

May 21, 2001

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An act to add and repeal Section 739.21 of the Public Utilities Code, relating to rate credits.

LEGISLATIVE COUNSEL'S DIGEST

AB 36, as introduced, Vargas. Electricity: conservation rate credits.

(1) Existing law requires the Department of Water Resources to purchase electricity for sale to retail end-use customers. Existing law requires the Public Utilities Commission to establish retail rates for electricity. Executive Order D-30-01 requires the department to implement a rate reward program for conservation efforts by residential, commercial and industrial customers of electrical corporations, and requests the commission to direct electrical corporations to submit programs to carry out this executive order and promote consistency in its implementation.

This bill would make legislative findings and declarations relating to the customers of the San Diego Gas and Electric Company. The bill would require the Department of Water Resources and the Public Utilities Commission in implementing Executive Order D-30-01 to provide a 20% rate reduction to a customer who uses 20% less electrical energy during the summer of 2001 as compared to the summer of 1999 or who uses 10% less electrical energy during the summer of 2001 as compared to the summer of 2000.

(2) A violation of an order of the commission is a crime. To the extent this bill would require an order by the commission it would create

a new crime, and would thereby impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(3) This bill would repeal these provisions as of January 1, 2002.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 739.21 is added to the Public Utilities  
2 Code, to read:

3 739.21. (a) The Legislature finds and declares all of the  
4 following:

5 (1) Executive Order D-30-01 requires the Department of Water  
6 Resources to implement a limited-term rate reward program for  
7 conservation efforts by residential, commercial, and industrial  
8 customers of electrical corporations.

9 (2) Executive Order D-30-01 requires electrical corporations  
10 to provide rate reductions to consumers with credits of up to 20  
11 percent of a customer's Summer 2001 bills for reducing electricity  
12 consumption by at least 20 percent during June to September 2001.

13 (3) Executive Order D-30-01 requests the commission to direct  
14 electrical corporations to submit programs to carry out the  
15 executive order and promote consistency in its implementation.

16 (4) The ratepayers serviced by San Diego Gas and Electric  
17 company in the Summer of 2000 were being charged up to 3 times  
18 the fixed rate established pursuant to Section 368.

19 (5) Because of the sudden rate increase for those serviced by  
20 San Diego Gas and Electric Company, the customers of San Diego  
21 Gas and Electric Company made significant efforts to conserve  
22 their energy usage at a time when the rest of California had not yet  
23 been affected by the energy crises.

24 (6) Customers of San Diego Gas and Electric reduced their  
25 electrical energy consumption by an average of 10 percent in the  
26 year 2000.

(b) The Department of Water Resources and the commission, in implementing Executive Order D-30-01, shall provide a 20 percent rate reduction to a customer serviced by the San Diego Gas and Electric Company who does either of the following:

(1) Uses 20 percent less electrical energy during the period from June 1, 2001, to August 31, 2001, inclusive, as compared to the period from June 1, 1999, to August 31, 1999, inclusive.

(2) Uses 10 percent less electrical energy during the period from June 1, 2001, to August 31, 2001, inclusive, as compared to the period from June 1, 2000, to August 31, 2000, inclusive.

(c) This reduction may only be provided to a customer of the San Diego Gas and Electric Company that was serviced by the company from June 1, 1999, to August 31, 1999, inclusive, and from June 1, 2000, to August 31, 2000, inclusive.

(d) This section shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2002, deletes or extends that date.

SEC. 2. The Legislature finds and declares that, because of the unique circumstances applicable only to the customers of the San Diego Gas and Electric Company, a statute of general applicability cannot be enacted within the meaning of subdivision (b) of Section 16 of Article IV of the California Constitution.

Therefore, this special statute is necessary.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

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